

MINUTE ITEM

This Calendar Item No. 29  
was approved as Minute Item  
No. 29 by the State Lands  
Commission by a vote of 2  
to 0 at its 11/29/84  
meeting.

CALENDAR ITEM

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11/29/84  
13-9503.27  
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REQUEST FOR ACTION ON BIDS  
FOR SALE OF CRUDE OIL ALLOCATED  
TO TRACT NO. 1, LONG BEACH UNIT  
LOS ANGELES COUNTY

At its meeting on March 22, 1984, the Commission made the determination of terms and quantities, and approved the provisions of sale determined by the City of Long Beach, and directed the Executive Officer to notify the City of Long Beach to direct the Field Contractor to offer for sale by competitive public bidding 12 1/2 percent of the crude oil allocated to Tract No. 1, Long Beach Unit, Wilmington Oil Field, which is solely from the Field Contractor's 80 percent share. These actions were taken pursuant to Section 3(e), Chapter 138, Statutes of 1964, 1st E.S.

In accordance with the provisions of sale, the Field Contractor offered the crude oil for competitive bidding. The crude oil was offered under two separate contracts, including one contract for 5 1/2 percent, and one contract for 7 percent, totalling 12 1/2 percent of the crude oil allocated to Tract No. 1. The 5 1/2 percent segment consists of 3,300 barrels per day of 17.7° API gravity crude oil. The 7 percent segment consists of 4,200 barrels per day of 17.7° API gravity crude oil.

On November 20, 1984 the City of Long Beach held bid openings for bids offered for this crude oil. The results are shown on Exhibit "A".

The City Council of the City of Long Beach gave blanket approval for these crude oil purchase contracts at their meeting on November 6, 1984.

Pursuant to Section 3(a) of Chapter 138, Statutes of 1964, 1st E.S., the sell-off contracts shall be of no effect unless and until approved by the State Lands Commission.

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CALENDAR ITEM NO. 29 (CONT'D)

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

AB 884: N/A.

EXHIBIT: A. Results of Bids.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. PURSUANT TO SECTION 3(a), CHAPTER 138, STATUTES OF 1964, 1st E.S., APPROVE THE AWARDED BY THE CITY OF LONG BEACH AND THE FIELD CONTRACTOR OF THE CRUDE OIL SALES CONTRACTS, AS SPECIFIED IN EXHIBIT "A", FOR CRUDE OIL ALLOCATED TO TRACT NO. 1, LONG BEACH UNIT, WILMINGTON OIL FIELD.

EXHIBIT "A"

Tract No. 1 Bid Opening  
November 20, 1984

7% Segment

| <u>Bidder</u>                        | <u>Bonus Bid</u><br><u>(Per Barrel, Above Posted Price)</u> |
|--------------------------------------|---|
| Pacific Refining Company             | \$2.206   |
| Pilot Petroleum Company              | \$1.85  |
| Crysen Trading and Marketing Company | \$1.76  |
| Champlin Petroleum Company           | \$1.713   |
| Huntway Refining Company             | \$1.63  |
| Anchor Refining Company              | \$1.59  |
| Edgington Oil Company                | \$1.563   |
| Mock Petrochemical Company           | \$0.562   |
| Fletcher Oil and Refining Company    | \$0.381   |
| Kern Oil and Refining Company        | \$0.359   |

5 1/2% Segment

| <u>Bidder</u>                        | <u>Bonus Bid</u><br><u>Per Barrel, Above Posted Price</u> |
|--------------------------------------|---|
| Pacific Refining Company             | \$2.542   |
| Edgington Oil Company                | \$1.863   |
| Pilot Petroleum Company              | \$1.85  |
| Champlin Petroleum Company           | \$1.713   |
| Anchor Refining Company              | \$1.69  |
| U. S. Oil and Refining Company       | \$1.64  |
| Crysen Trading and Marketing Company | \$1.49  |
| Huntway Refining Company             | \$1.43  |
| Lunday-Thegard                       | \$0.7531  |
| Mock Petrochemical Company           | \$0.561   |
| Fletcher Oil and Refining Company    | \$0.381   |
| MacMillan Ring Free Oil Company      | \$0.36  |
| Kern Oil and Refining Company        | \$0.359   |

The highest responsible bidder is Pacific Refining Company for both segments.